

From: Susan Carey, Cabinet Member for Environment
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To: Environment and Transport Cabinet Committee – 19 May 2022

Subject: Environment, Net Zero and Section 31 Public Sector Decarbonisation Scheme Update

Classification: Unrestricted

Past Pathway of Paper: n/a

Future Pathway of Paper: n/a

Electoral Division: County-wide

Summary: This paper is a summary of progress during 2021-22 towards the Kent wide and KCC environmental and net-zero targets and plans. It proposes an approach to re-evaluate the environmental priorities within the scope of the Strategic Reset Programme, recognising that access to finance is changing significantly and will start to impact on 'environment' staff resources in the medium term.

This paper also provides an update on the Public Sector Decarbonisation Scheme (PSDS) agreement with the Department of Business, Energy, and Industrial Strategy (BEIS) for a Section 31 grant of £20.6m to deliver a number of energy projects within the KCC estate and a further £1.2m for school site energy projects that was accepted in March 2021 and which will help KCC meet its target of achieving net-zero carbon emissions by 2030.

Recommendation(s):

- 1) The Cabinet Committee is asked to note the considerable progress towards KCC net-zero 2030 target achieved in 2021 despite the challenging operating environment.
- 2) The Cabinet Committee is asked to discuss the changes to external funding that impacts KCC's ability to deliver the Net Zero by 2030 ambition and wider programme beyond 2023/24.
- 3) The Cabinet Committee is asked to note the risks associated with the Net Zero and Public Sector Decarbonisation Scheme Programmes as outlined in section 6.

1. Introduction to KCC Net Zero 2030

- 1.1 KCC has a long-established environmental improvement programme, certified to the International Standard for Environmental Management ISO14001, which continues to demonstrate year-on-year progress in reducing KCC's environmental impacts and most significantly reducing greenhouse gas (GHG) emissions by 73% since 2010. This lends credibility to KCC's role as leader of the delivery of the Kent wide

environmental and climate change strategies and plans, which requires significant partnership support to be successful.

- 1.2 Recognising the Climate Emergency, in September 2020, the Cabinet Member for the Environment took the decision to set an ambitious target to reduce the direct emissions from KCC's estate and operations to Net Zero by 2030, 20 years ahead of the UK Government's target, delivered through a mix of KCC actions and offsetting. This is KCC's organisational target and does not include emissions from commissioned and outsourced services (known as scope 3 emissions). An expanded baseline, which includes emissions data from KCC's traded companies was established for 2019-20 and monitoring against this target is included in [KCC's published quarterly performance report](#).
- 1.3 In addition to the monitoring of emissions from KCC's estate and operations, the KCC environment programme seeks to ensure delivery of the commitments detailed in KCC's Environment Policy and relevant aspects of the Kent wide strategies and plans that need to be taken account of or delivered by KCC services (see Appendix 1 for a full list). This ensures the programme reflects both the climate and ecological emergency, statutory requirements, pollution, and health concerns and seeks to address both climate mitigation and adaptation actions.

2. Policy Framework for KCC Net Zero 2030

- 2.1 The environment is one of the five main Challenges set out in the Interim Strategic Plan which remains in place until May 2022. Tackling the climate emergency is identified as an urgent priority. 'KCC's role in achieving Kent's environmental ambitions' was additionally identified as one of four Strategic Policy Challenges in the December 2021 County Council Strategic Statement development update paper.
- 2.2 In response to the UK Climate Emergency, KCC has committed to reducing carbon emissions to Net Zero from its own estate and traded companies (excluding schools) by 2030.
- 2.3 The Net Zero activity and the specific projects which will be supported by the Public Sector Decarbonisation Scheme grant will help deliver against this challenge and underline KCC's leadership role in tackling climate change.

3. Strategic Context and Governance

- 3.1 Strong governance and financial support is required for such a broad programme of activity for KCC Net Zero 2030, the success of which is reliant on the involvement of all KCC services, many working in partnership with public and private sector organisations to achieve county wide sustainable environmental change.
- 3.2 For Kent and Medway Net Zero 2050 target, services within the Environment and Waste division of GET Directorate lead or work collaboratively through several county wide partnerships, such as the Kent Resource Partnership (Circular Economy/waste), Kent Nature Partnership, Kent and Medway Environment Group, Kent Climate Change Network and with KCC Transportation and Public Health to support the Kent & Medway Air Quality Partnership.

- 3.3 Under the framework of the Kent Environment Strategy (KES) and the Energy and Low Emissions Strategy (ELES), the KCC Sustainable Business and Communities Team (SBC) has been leading KCC's response to achieving the net-zero targets (both 2030 and 2050) providing expert advice and guidance and co-ordinating both the county wide Net Zero 2050 programme overseen by the Kent and Medway Environment Group, reporting to Kent Chief Executives and Leaders and the KCC Net Zero 2030 Organisation Programme reporting to the KCC Environment Board. The KCC Environment Board is chaired by the Corporate Director for Growth, Environment and Transport and is attended by senior officers across all four directorates. The Public Sector Decarbonisation Scheme grant has its own officer steering group chaired by the Director for Growth and Communities which has in addition been regularly reporting to the KCC Major Energy Project Board and the KCC Capital Officers Group.
- 3.4 It has been recognised that the environment and the response to climate change requires the highest level of strategic oversight within the organisation to ensure 'environment' is taken account of throughout all decision making and delivery. As such the KCC Environment Programme including Net Zero (both 2030 and 2050 targets) is being supported as one of only thirteen key priorities within KCC's Strategic Reset Programme.

4 Progress Update 2021-22

County Wide Progress towards Net Zero 2050

- 4.1 The Kent-wide Net Zero 2050 programme continued with the following achievements in 2021-22:
- £70.5million of external funding secured to deliver Kent-wide Net Zero targets (see section 5 for further detail)
 - The Kent & Medway Energy & Low Emissions Strategy implementation plan reached the end of its first year and monitoring is now in progress, a full annual report is due to be reported to the cross-party members' group in May 2022 before being reported to Environment and Transport Cabinet Committee in July 2022.
 - The KCC waste management team and District partners continue the 'Keep Kent Clean' campaign targeting litter and flytipping and raising awareness on how residents can reduce, re-use and recycle both at home and at the Household Waste Recycling Centres with consideration to full product life cycle. Consideration of reduce first, but then reusing and recycling next rather than disposal is a key Net Zero consideration. Household Waste Recycling Centres continue to offer booking slots to better manage demand and help minimise queuing traffic therefore reducing emissions and the impact on air quality around the centres.
 - The KCC Natural Environment team continues to implement The Kent Biodiversity Strategy and Kent's Plan Bee pollinator action plan and works to establish more trees across the county in line with a Kent Tree Strategy currently out for consultation. Work continues to develop the approach to Nature Based Solutions. Work to align with the anticipated Kent Nature Recovery Strategy following the release of the Environment Act in late 2021, is also underway.
 - Kent's Climate Adaptation action plan is due to be published in Autumn 2022 with the draft currently undergoing internal consultation.

- Contracts have been agreed to deliver the EV600 project which will see over 600 electric vehicle charging points being installed across the county, in addition to 23 double-socket chargers being established at 19 Parish and Town Hall locations alongside those being funded directly by District or Borough Councils.
- KCC secured £1.2 million of Public Sector Decarbonisation Scheme grant funding for school energy projects to deliver heat pumps, solar panels or double glazing and insulation upgrades in eight schools by June 2022.
- Folkestone and Hythe District Council secured £2million and Gravesham Borough Council secured £800,000 of Social Housing Decarbonisation Fund grant funding which targets retrofitting social housing properties with an Energy Performance Certificate (EPC) rating of below C through a range of energy efficiency upgrades.
- KCC has completed the first year of a two-year scheme to loan electric vans to businesses and other organisations across the county. Over 160 loans have been completed with six organisations already switching to electric vehicles after their trial. At the end of the scheme the 48 electric vans will be available to replace KCC and other public sector fleet vehicles at no cost.
- A Heritage Strategy is being recommended for adoption by KCC Cabinet Member for Environment. Following public consultation over the winter, the strategy's response to climate emergency has been added as an explicit fifth Strategic Aim within that Heritage Strategy.

KCC Progress Towards Net Zero 2030

- 4.2 The KCC Environment Policy is still valid, the current version was issued September 2020.
- 4.3 Good progress has been made towards Net Zero 2030, and KCC is currently ahead of target for 2021-22 with 16,774 tonnes of carbon dioxide equivalent (CO₂e) emitted up to December 2021 vs the target of 20,788 tonnes CO₂e for the year. (The final 21/22 position will be confirmed in May 2022 when the remaining data is received and analysed). This has been achieved in part by the significant reduction in transport and travel due to COVID-19 restrictions. Whilst an upturn in transport and travel is expected once restrictions end fully it is not expected to return to pre-COVID levels following the adoption of flexible working arrangements.
- 4.4 KCC's Net Zero 2030 programme continues with the following achievements:
- KCC's Net Zero road map has been mapped see Appendix 2 for full details
 - Year one of the initial 3-year Net Zero action plan has been completed and reviewed (Appendix 3 including progress updates)
 - Established a new greenhouse gas emissions baseline (2019-20) and a more comprehensive data gathering and reporting process to monitor Net Zero by 2030 and provided a briefing on this for KCC Members.
 - Secured £20.6 million of Public Sector Decarbonisation Scheme Government grant funding for corporate estate energy projects, delivering within a particularly challenging timeframe and with added supply chain delays. The majority of projects are now complete or nearing completion including the acquisition of the Special Purpose Vehicle (SPV) to operate a 23MW Solar Park in Somerset. The second of the large solar and heat pump projects along with the upgrades to Oakwood House are due to be completed by mid-2022.

- Included Net Zero within the Strategic Commissioning Framework and related guidance and established a Kent wide public sector Market Position Statement.
- Worked with infrastructure to include Net Zero and other environmental requirements within the Hard Facilities Management services contract specification, with Soft Facilities Management services in progress.
- Contributed to the evaluation of two phases of KCC Community Wellbeing Services contracts, to support KCC supply chains to maximise their contribution to achieving Net Zero.
- Started to explore the emissions impact of our contracted services and what impact this might have on county-wide 2050 Net Zero ambitions. As an example, one Highways contract alone is equivalent to one fifth of KCC's total organisational carbon footprint.
- Established a fleet vehicle working group to plan the transition of 400 vehicles to electric or other low carbon fuels.
- Planned the rebrand and launch of the Environmental Champions network aligned with Kent Green Action, launching in January 2022 with 180 staff recruited by mid-February.
- Continued successful ISO14001 assessments reducing frequency from 6-monthly to annual reflecting the excellent management practices that are in place and subsequently reducing the annual cost and resource impact on services that more frequent audit requirements would require.
- Supported The Education People to achieve ISO14001 in early 2021 followed by an excellent result in their first assessment in November 2021 with no non-conformances recorded.

4.4 Public Sector Decarbonisation Scheme Progress

- In Autumn 2020, the Department of Business, Energy, and Industrial Strategy and Salix¹ announced £1bn of grant funding which aligned with the Department of Business, Energy and Industrial Strategy's new mission and priorities including tackling climate change. In December 2020, KCC applied for £20.6m of projects for its own estate, plus a further £1.2m for schools-based projects and were awarded both grants under a Section 31 agreement in March 2021.
- Susan Carey, Cabinet Member for Environment took Key Decision (decision number 21/00034) –to accept both of the Section 31 Grants and on 18th March 2021, the Environment and Transport Cabinet Committee resolved that the decision to accept the Section 31 Grant be noted and the full Grant funds were subsequently received. An update was provided to the Environment and Transport Cabinet Committee in June 2021 confirming the projects being developed to utilise the full Section 31 grant funding that had been allocated.
- A funding deadline extension was granted from March 2022 to June 2022 to allow schemes across the UK more time to complete. KCC was a key lobbyist for this.
- Cross authority officer level support, risk mitigation and problem solving enabling the projects and programme teams to mobilise with unprecedented agility whilst remaining within agreed governance routes and authorisation parameters.

¹ Salix is a non-departmental body owned by the Government who provide funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills

- Final deliverable project list and grant funding contributions allocated and where needed additional KCC funding allocated to ensure project completion secured (see table 1 below for full details)

5. Finance

- 5.1 A total of £91.7m of external grants and funding has been secured since 2021 to deliver projects and activity that contribute to Net Zero.
- 5.2 Of the £91.7m County wide Net Zero 2050 measures have been awarded £70.5m of this total as follows:
- £35.1m Department for Transport grant to deliver the Bus Service Improvement Plan including supporting the transition to electric buses and tackling air quality hotspots.
 - £21m Low Carbon Across the South East (LoCASE) Small and Medium Enterprise (SME) business support
 - £9.5m Department for Transport grant for electric buses on Kent Thameside and Dover Fast-track
 - £2.8m Social Housing Decarbonisation Fund grant for retrofitting social housing properties in Folkestone and Hythe and Gravesham
 - £1.2m Public Sector Decarbonisation Scheme grant for school energy projects
 - £387k Department for Transport grant for active travel and modal shift initiatives
 - £218k Department for Transport grant for Parish Hall electric vehicle charge-points
 - £118k South East New Energy community energy and renewables
- 5.3 Of the £91.7m KCC organisational Net Zero 2030 measures have been awarded £21.2m of this total as follows:
- £20.6m Public Sector Decarbonisation Scheme grant for energy projects
 - £400k Heat Network Implementation Plan (HNIP) grant for Maidstone Heat Network commercialisation
 - £235k National Highways grant for electric vehicle charge-points
- 5.4 Plus £1.3m annually:
- £1m Environment Net Zero reserve (previously known as the Climate Change Fund)
 - ~£340k Salix energy efficiency fund supplemented by a further £300k KCC fund (£640k total on a loan recycling basis, Salix funding retained until 2025)
- 5.5 New funding bids are continuing to be developed and there a further Public Sector Decarbonisation Fund bid for heat pump upgrades and retrofitting KCC buildings and schools to improve building fabric and insulation bid currently submitted which is pending a decision.
- 5.6 Cumulatively, it is anticipated that the projects being funded by the Public Sector Decarbonisation Scheme grant will reduce carbon emissions from KCC's estate by 40% from the 2020/21 baseline, some 7,097 tonnes of CO2 and enable significant

contribution towards KCCs net-zero carbon emissions target. Alongside delivery of the net-zero target, the proposed projects will reduce KCC's direct energy costs by £225,948 and also provide an additional income of upwards of £760k per annum to KCC from two solar parks that can be used to further offset KCC's ongoing energy costs or other County Council activity. Similarly, the in-county solar park will also help stimulate the low carbon economy in Kent and create local jobs as well as set up key development infrastructure to meet future energy challenges such as security of supply.

Table 1: Workstream, Project Detail and Associated Funding Allocations for the BEIS Public Sector Decarbonisation Section 31 Grants

Workstream	Total Workstream Value	Project	PSDS Grant Contribution	KCC Contribution
1: SPV Purchase for Bowerhouse Solar Park ²	£16.3million	Construction of a 21MW solar farm	£14.5million	KCC Investment and Match Funding £1.8m
2: Kings Hill Solar Park	£4.2million	Construction of a 3MW solar farm	£3.5million	Up to £300k
3: Digital Autopsy Building	£88k	Purchase of an air source heat pump and solar PV to supply DA building	£88k	KCC Funding the main build scheme
4: Turner Contemporary	£164.5k	LED Lighting (Phase 1 and Phase 2)	£164.5k	£0.00
6: Paddock Wood Community Centre	£97.5k	Installation of an air source heat pump	£65.5k	KCC Funding the main build scheme
		Installation of solar PV	£30.7k	
7: Oakwood House	£1.49million	Ground source heat pump	£235.5k	KCC Funding the main build scheme
		Energy upgrade works	£35k	
		Building management system	£202.5k	
		Hot water distribution improvements	£125k	
		Pipe insulation	£78k	
		Purchase of ventilation fans	£135k	
		Ventilation distribution system	£333k	
		Electricity supply	£250k	

² Out of county location

		upgrade		
		LED lighting	£96k	
8: LED Lighting in KCC buildings	£96k	Ashford Highways Depot	£96k	£0.00
9: Installation of Heat Pumps in KCC buildings	£580k	Air source heat pump at Ashford Highways Depot	£260k	£0.00
		Ground source heat pump at the Swattenden Outdoor Centre (Tunbridge Wells)	£155k	£165k
10: Installation of Solar PV on 6 KCC buildings	£341k	Brook House (Whitstable), Ashford MASH Swanley Link The Sunrise Centre (Tunbridge Wells) Kent Scientific Services (West Malling) St Peter's House (Broadstairs)	£341k	£0.00
Total			£20.6million	£2.265million
11. Schools Programme	£147k	Cobham Primary air source heat pump	£105k	£42k
	£169.5k	Southborough Primary air source heat pump	£169.5k	£0
	£140k	Palace Wood Primary (Maidstone) air source heat pump	£140k	£0
	£50k	Wickhambreaux Primary double glazing	£50k	£0
	£371.5k	The Archbishops School (Canterbury) double glazing	£250k	£121.5k
	£316k	West Kingsdown air source heat pump	£316k	£0
	£153k	West Kingsdown Primary insulation and double glazing	£75k	£78k
	£35k	Kemsing Primary insulation and double glazing	£35k	£0
	£77k	Herne Bay High solar PV	£77k	£0
Total			£1.2million	£241.5k

5.7 In summary:

- To deliver Net Zero 2030 for KCC, significant further future investment will be required. It should be noted that there is currently no funding allocated within KCC's capital programme to deliver Net Zero and the current Net Zero Reserve of £1m per annum will not be sufficient given the breadth of activity that still needs to be undertaken.
- Public Sector Decarbonisation Funding of £20.6m has contributed to a 40% reduction in KCC's emissions. Whilst this is considerable progress there is still a considerable challenge ahead to make progress on the remaining reductions required to reach Net Zero 2030.
- Government is moving away from 100% grant funding for decarbonisation and require much higher match funding percentages than has been seen previously
- Timing and conditions attached to future government grant funding may mean we are not always be able to secure or deliver additional external funding to support Net Zero activity
- Modelling is underway to determine the full investment picture required for KCC but this is a complex process and reliant on KCC's appetite or not to include indirect emissions that are attributed to its supply chain (known as scope 3 emissions) as well as emissions from its direct operation and activity (known as scope 1 and scope 2 emissions). It is anticipated that a full discussion will be able to take place with the cross-party members group in the Autumn of 2022.

6. Risks and Opportunities

Continued Compliance with ISO14001

6.1 The most recent assessment was completed 9-11 February 2022 achieving an excellent result with just a single minor non-conformance recorded. COVID 19 restrictions continue to reduce our ability to conduct audits, with only some able to be completed online. We continue to work with Internal Audit and Health & Safety to integrate audit needs and make better use of all KCC auditor resources.

Requirements of Interested parties

6.2 There is continued interest from lobbying groups and members of the public regarding the Council's plans and actions to address the Climate and Ecological Emergency. Some of these groups have conducted and published local authority benchmarking and whilst KCC has scored favourably so far in these assessments the ability and resourcing required to respond to multiple and complex requests for information is clearly unsustainable. All council strategies, performance indicators and reports such as this one are on our website and the Council is not required to present information already available in customised formats.

Future Funding

6.3.1 There continue to be several grant funding streams available for low carbon transport and electric vehicle charging infrastructure. Crucially though, access to future energy projects funding is changing significantly. Government grants in preference to loan funding is moving away from 100% funding and towards an average of 50% match funding being required from the grant recipient. Funding is also moving away from LED lighting and solar panels to predominantly low carbon

heating solutions such as heat pumps replacing oil and gas fired boilers. This provides a much narrower scope for funding compared to the previous wider range of carbon saving initiatives that would be considered for funding.

- 6.3.2 Direct loans from Salix have been withdrawn and the Salix recycling fund managed by KCC will be terminated by 2025. All of these changes will make it harder to secure external funding to invest in the corporate estate at the levels necessary to meet the Net Zero 2030 commitments. These changes are also likely to result in fewer new school energy projects as schools are more likely to require specialist energy support to bid for new grants themselves rather than being able to access grants through the KCC umbrella approach.
- 6.3.3 The current Net Zero 2030 plan requires the development of three KCC owned and operated solar farms in order to meet the energy requirements of the estate. Two of these solar farms are being financed by the Public Sector Decarbonisation Fund with KCC providing match funding to cover the increase in costs for materials due to significant price rises in the post Covid marketplace. No future government funding opportunities currently exist to fund the third required solar farm and therefore this will require either direct KCC investment or new and innovative approaches to funding to become a reality.
- 6.3.4 Investment in energy reduction/energy generation provides a long-term return so options such as bonds or other investment vehicles could provide the necessary initial capital investment.

6.4 ***Operational improvements***

- Single use plastic and other disposables used in catering and cleaning supplies across the estate has been reduced.
- Country Parks continue to use compostable packaging at Shorne Woods, Lullingstone, Trosley and Manor Park cafes and offer discounts for re-usable hot drinks cups.
- Cleaning contractors operating in West and East Kent areas have switched from bottled cleaning products to soluble sachets reducing single-use plastic waste. Mid Kent area is reducing their use of plastic containers as well.

Staff resources

- 6.5.1 The new post of Director for Environment and Waste was taken up on May 3rd, 2022.
- 6.5.2 Resourcing for the Sustainable Business and Communities team continues to be an issue with several key staff moving on to both internal and external roles. The future resource requirements need to correlate with KCC's updated environmental priorities within the emerging Strategic Plan to continue to make the required progress towards Net Zero 2030 and 2050.
- 6.5.3 The ending of EU funding and the subsequent government announcements relating to the Shared Prosperity Fund being managed and distributed by Districts and Boroughs rather than the County means we will no longer have direct funding for several existing posts. This uncertainty is felt across all fully or partly funded EU projects and may result in a loss of staffing resource prior to project completion as

individuals look to secure their future employment outside of KCC prior to the end of their fixed term contracts.

Communications & engagement

- 6.6 The Green Guardian staff scheme has been rebranded as Environmental Champions with 196 staff across KCC signed up by mid-April. The Microsoft Teams area is established, introductory training was completed during February and March, and the first of the Green Lunch sessions have taken place. Work on the full year of activities and support is also well underway. With staff now working flexibly, the focus has shifted towards community leadership alongside staff and KCC building projects with a view to inspiring and supporting community action to support the environment both internally and externally to KCC.

Public Sector Decarbonisation Scheme (PSDS) Project Delivery

- 6.7 The timescale for delivery of PSDS projects is still ambitious. The funding must be spent by 30th June 2022 and some of the larger or more complex projects are on very tight timelines for this to be met and there is very little 'slack' if further events, such as significant weather and global market challenges, impact further on construction. Whilst this has been de-risked as much as possible due to a considerable number of projects already completing, delivery of the second larger solar scheme, the second heat pump project, the works at Oakwood House and some of the school energy projects are scheduled to complete close to the June 2022 funding deadline.

7. Equality and data protection implications

- 7.1 Equality Impact Assessments and Data Protection Impact assessments have been or will be undertaken against all projects and activity towards the Net Zero target and updated as required throughout.

8. Legal Implications

- 8.1 The Environment Act is bringing forward changes for waste management, natural environment, management of wastewater and sustainable drainage and air quality. Secondary legislation is awaited to provide the detail around targets and compliance activity.
- 8.2 The UK Government's Future Buildings Standard and Future Homes standard will mean that from 2025 no new fossil fuel boilers will be allowed to be installed in both domestic and non-domestic buildings
- 8.3 The UK Government's Heat and Buildings Strategy 2021 has focused on local authorities producing heat decarbonisation plans to reduce fossil fuel use and get buildings Net Zero ready.

- 8.4 The UK Government's Single Use Carrier Bags Charges (England) (Amendment) Order came into force on 21 May 2021 increasing the minimum charge for each single use carrier bag from 5p to 10p. This is enforceable by Trading Standards.
- 8.5 The KCC Health & Safety schools audit programme now includes more specific oil storage and waste-water treatment/storage questions and requirements.
- 8.6 Legal Agreements for specific individual projects will also be needed and will be subject to the review and agreement as part of the project management governance arrangements. Legal work has been progressed for all projects with known legal implications.

9. Conclusion

- 9.1 There has been continued good progress to deliver Kent wide activity supporting both KCC and county wide Net Zero 2030 and Net Zero 2050 strategies and plans.
- 9.2 KCC Net Zero 2030 monitoring has established the expanded data collection and monitoring process from April 2021.
- 9.3 KCC Net Zero 2030 plan has made good progress in year one and Greenhouse Gas (GHG) emission reductions are ahead of target at the latest full data monitoring point at the end of quarter 3.
- 9.4 Although there continue to be opportunities to secure new funding from external sources, the grant criteria are becoming more challenging and the match funding required is increasing. It is important to continue to review the availability of external funding and identify new opportunities for the future as without this, or the availability of KCC funds as an alternative, it will be impossible to meet the Net Zero 2030 commitments.
- 9.5 It is important to recognise the growth in the environmental sector and the availability of flexible working is bringing forward new job opportunities; KCC needs to find ways to attract and retain experienced and talented staff both in the short term and beyond 2023/2024, when EU funding ends.
- 9.6 Against the backdrop of the reducing resources for Environment work, KCC will require to prioritise which Environment activity strands it pursues. This will be principally taken forward through the Strategic Reset Programme, following Members' comments today
- 9.7 As detailed throughout this paper, KCC has received Section 31 funding of £20.6m for energy projects within the KCC estate plus a further £1.2m for school site energy projects from BEIS Public Sector Decarbonisation Scheme. This funding will provide a significant investment in tackling climate change and reducing carbon emissions across KCC's estate as well as providing additional benefits to the economy by creating new jobs and infrastructure. The project and programme teams are working at pace to ensure these schemes are delivered within the grant conditions specified and have made good progress to ensure that all grant funds allocated are retained and spent.

10. Recommendation(s)

- 1) The Cabinet Committee is asked to note the considerable progress towards KCC Net Zero 2030 target achieved in 2021 despite the challenging operating environment.
- 2) The Cabinet Committee is asked to discuss the changes to external funding that impacts on KCC's ability to deliver the Net Zero by 2030 ambition and wider programme beyond 2023/24.
- 3) The Cabinet Committee is asked to note the risks associated with the Net Zero and Public Sector Decarbonisation Scheme Programmes as outlined in section 6.

11. Contact details

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